

THE WHITE HOUSE
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NATIONAL SECURITY DECISION
DIRECTIVE NUMBER

COMMERCIALIZATION OF EXPENDABLE LAUNCH VEHICLES

I. INTRODUCTION

The United States Government encourages domestic commercial exploitation of space capabilities, technology, and services for U.S. national benefit. The basic goals of U.S. space launch policy are to (a) ensure a flexible and robust U.S. launch posture to maintain space transportation leadership; (b) optimize the management and operation of the STS program so as to achieve routine, cost-effective access to space; (c) exploit the unique attributes of the STS to enhance the capabilities of the U.S. space program; and (d) encourage the U.S. private sector development of commercial launch operations.

II. POLICY FOR COMMERCIALIZATION OF EXPENDABLE LAUNCH VEHICLES

The U.S. Government fully endorses and will facilitate the commercialization of Expendable Launch Vehicles (ELVs).

The U.S. Government will license, supervise, and/or regulate U.S. commercial ELV operations only to the extent required to meet its national and international obligations and to ensure public safety. Commercial ELV operators must comply with applicable international, national and local laws and regulations including security, safety, and environmental requirements.

The U.S. Government encourages the use of its national ranges for U.S. commercial ELV operations. Commercial launch operations conducted from a U.S. Government national range will, at a minimum, be subject to existing U.S. Government range regulations and requirements. Consistent with its needs and requirements, the U.S. Government will identify and make available facilities, equipment, tooling, and services that are required to support the production and operation of U.S. commercial ELVs.

The U.S. Government will have priority use of U.S. Government facilities and support services to meet national security and critical mission requirements. The U.S. Government will make all reasonable efforts to minimize impacts on commercial operations.

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The U.S. Government will not directly subsidize the commercialization of ELVs but will price the use of its facilities, equipment, and services consistent with the goal of encouraging viable commercial ELV launch activities.

The U.S. Government will encourage competition among various systems and concepts within the U.S. private sector by providing equitable treatment for all commercial launch operators.

The U.S. Government will review and approve any proposed commercial launch facility and range as well as subsequent operations conducted therefrom. Near-term demonstration or test flights of commercial launch vehicles conducted from other than a U.S. Government national range will be reviewed on a case-by-case basis using existing licensing authority and procedures.

III. RELATIONSHIP OF STS AND COMMERCIAL ELVS

Notwithstanding the U.S. Government policy to encourage and facilitate private sector ELV entry into the space launch market, the U.S. Government will continue to make the Space Shuttle available to all authorized users -- domestic and foreign, commercial and governmental. The U.S. Government will consider the effects that STS pricing for commercial and foreign flights will have on commercial launch operations. However, the price for a commercial or foreign flight on the STS must be determined based on the best strategy to satisfy the economic, foreign policy, and national security interests of the United States.

IV. IMPLEMENTATION

The Department of State, for the near term, will be the point of contact within the U.S. Government for coordinating the U.S. Government response to private sector contact/questions on commercial ELV activities.

An interim SIG(Space) Working Group on Commercial Launches will be formed and chaired by the Department of State. The Working Group will be composed of members representing the SIG(Space) agencies and observers as well as other affected agencies as required. Additional membership, at a minimum, will include the Federal Aviation Administration and the Federal Communications Commission. This group will formulate recommendations concerning (1) a permanent lead agency for commercial ELV activities and (2) streamlined procedures for both the near and long term to implement the licensing, supervision, and/or regulations applicable to routine commercial launch operations from commercial ranges. The Working Group will report its results to the IG(Space) not later than June 30, 1983.

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IMPLEMENTING GUIDELINES FOR COMMERCIALIZATION
OF EXPENDABLE LAUNCH VEHICLES FROM U.S. GOVERNMENT NATIONAL RANGES

A. Required U.S. Government Actions

NASA and DOD, for those functions over which they respectively have cognizance, will:

1. identify data, documentation, processes, procedures, tooling, ground support equipment and facilities that are available for commercial use;
2. identify the support services and facilities necessary for commercial launches from the U.S. Government national ranges;
3. identify the joint-use tooling, ground support equipment and facilities that the U.S. Government can make available for commercial launch operations;
4. determine the transition means, schedules, and conditions for making available appropriate U.S. Government equipment, facilities and properties;
5. to the extent practical, provide, on a reasonable reimbursable basis, technical advice and assistance in operations;
6. negotiate and contract for, on a reasonable reimbursable basis, their portion of the U.S. Government services, facilities and equipment requested by the private sector for commercial launch operations.
7. as required, conduct environmental analyses necessary to ensure compliance with the National Environmental Policy Act.

B. Government Pricing Guidelines:

The price for the use of U.S. Government facilities, equipment, and services, will be based on the following principles:

1. price services based on those additional costs incurred by the U.S. Government;
2. the U.S. Government should not seek to recover ELV design and development costs or investments associated with launch facilities to which the U.S. Government retains title.
3. standard tooling, equipment and residual ELV hardware on hand at the completion of the U.S. Government's program should be priced at a fair market value or U.S. Government cost.

C. Commercial ELV Operator Requirements

The commercial ELV operator shall:

1. maintain all facilities and equipment leased from the U.S. Government to a level of readiness and repair specified by the U.S. Government;
2. provide adequate insurance to cover the loss of or damage to U.S. Government owned systems, equipment, facilities used by the private sector ELV operators;
3. indemnify and hold harmless the U.S. Government against liabilities for damage to both domestic and foreign persons and property;
4. abide by all required U.S. Government safety criteria and not hold the U.S. Government liable for damage incurred by the operator resulting from U.S. Government flight safety actions.
5. agree not to hold the U.S. Government liable for losses resulting from scheduling delays related to joint-use facilities and support services.

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